

## **RANKING MEMBER RON BARBER (D-AZ) - OPENING STATEMENT**

### Subcommittee on Oversight and Management Efficiency

#### “DHS Acquisition Practices: Improving Outcomes for Taxpayers Using Defense and Private Sector Lessons Learned”

September 19, 2013

Thank you for holding this very important hearing to discuss the manner in which the Department of Homeland Security manages its acquisitions and to find solutions that can improve the Department's ability to carry out its mission.

When the Department was stood up more than a decade ago, it was understood that combining 22 different agencies into one department could create stovepipes and silos.

Some eleven years later, we are still trying to create one cohesive Department of Homeland Security.

Over the last three years, the Department has worked to improve its acquisition policies and create a more streamlined framework aimed at saving costs and requiring each Component to operate by the same rules.

While the framework may be in place, there remain challenges that exist in making sure it is implemented.

Without an acquisition strategy that is adhered to by all DHS components, the Department is not able to achieve economies of scale that help reduce costs and, ultimately, make effective use of our resources and save the taxpayers' money.

In a recent Office of Inspector General (OIG) report, it was revealed that two Components had purchased the same radio equipment that was sitting idly in a storage facility while a third Component needed that same equipment. The end result, one of your components couldn't get the resources it needed even though they were available.

This is unacceptable. When the Department has limited resources we cannot afford to waste them.

While, the Department has made some strides in saving taxpayer funds through economies of scale, as indicated by this OIG report, they still have a ways to go.

The most effective way to achieve uniformity is to ensure that Department headquarters has the authority to enforce Department-wide policies that are aimed at improving governance and efficiency.

Moreover, it is clear that in order for the Department to mature into a gold standard among Federal agencies, its acquisition challenges should be addressed top-down from headquarters to each component.

Additionally, in addressing these challenges, I believe it is important that the Department search for best practices, both inside the government but also in the private sector.

And when working with the private sector, the Department should be transparent and “user-friendly,” by making its procurement processes clear and easy to follow. This is key to good governance.

For this to work, there must be “buy-in” at the Component level. There must be Department-wide understanding that each component is part of the overall mission to use resources efficiently in order to effectively secure the homeland.

I think it’s important that as we look at using the Department of Defense (DoD) as a model for DHS – as suggested by the title of today’s hearing – we must recognize that both the mission and structure of the agencies are different.

In many instances the Department has implemented procurement practices that have been successful at DoD.

But given the differences between these two departments, it is also important that DHS examine its current framework and system and develop a process that takes best practices that make sense for DHS from both government and private entities into account. DHS must have a system that works for its specific needs and mission, one that improves upon its flaws and implements OIG and GAO recommendations.

As a Representative of a District that shares over 80 miles of border with Mexico, I am familiar with the amount of money that has been spent by the Department on technologies and assets that have been procured in an effort to secure border.

We must ensure that these assets are used to best to fulfill their mission. We must do this to be responsible stewards of the American taxpayer. The Department cannot continue to stick the American people with the bill for failed technologies and poorly distributed resources.

I would argue that the Department should develop a central acquisition process that fits the needs and mission of the Department and its components, one that incorporates best practices from both industry and government.

The Department’s acquisition and procurement system should be tailored to meet the Department’s unique mission, should enable the Department to take advantage of economies of scale to ensure the Department pays a reasonable price, and should allow us to be responsible stewards of taxpayer dollars.

I look forward to hearing from our witnesses on these and other issues as we discuss the Department’s challenges in fully implementing its acquisition management initiatives.